

#### Montana FSA State E-Newsletter

#### January 2011

#### State Executive Director Bruce Nelson

P.O. Box 670 Bozeman, MT 59771 406-587-6872 phone 406-587-6887 fax

#### Montana FSA Web site:

www.fsa.usda.gov/mt **Hours:** 

Monday - Friday 7:30 a.m. - 4:30 p.m.

# Montana State FSA Committee:

Steve Carney, Chair Floyd Dahlman, Member Kelly Flaherty-Settle, Member Hans McPherson, Member Patricia Quisno, Member

# Next State Committee Meeting:

Feb. 15-16 from 8 a.m. to 5 p.m. in the Montana State Office located at 10 East Babcock on the 5<sup>th</sup> Floor of the Federal Building in Bozeman.

#### FSA State Office Management:

Richard Deschamps, Chief Administrative Officer Dave Pitts, Farm Loan Program Chief Glenn Patrick, Conservation/Price Support Program Chief

Leonard McArthur, *Disaster and Compliance Program Chief*Patti Soares,

Production/Common Program Chief

Jennifer Perez Cole, *Public* Affairs/Outreach/Civil Rights Cindy Coad,

Program/Management Analyst Vicky Herness,

Program/Management Analyst

# Reasonable Accommodations: Persons with disabilities who

Persons with disabilities who require accommodations to attend or participate in any FSA programs should contact the State or County Executive Director at the FSA Office or the Federal Relay Service at 1-800-877-8339.

# Happy New Year and Welcome 2011!

## SURE Signup for 2009 Crop Year begins Jan. 10

Signup for the 2009 Supplemental Revenue Assistance Payments Program (SURE) begins on Jan. 10, 2011. SURE provides benefits for farm revenue losses due to natural disasters. To be Eligible for SURE, all crops of economic significance (contributes at least 5% of total farm income) must be covered by crop insurance or NAP.

The SURE program is available to eligible producers when:

- a portion of the SURE farm is located in a county covered by a qualifying natural disaster declaration (USDA Secretarial Declarations only) or a contiguous county; or,
- the actual production for the SURE farm is less than 50% of the normal production. For more information, call or visit the county FSA office.

### **Livestock Indemnity Program**

The Livestock Indemnity Program (LIP) provides assistance to eligible livestock owners and contract growers for eligible livestock deaths in excess of normal mortality due to adverse weather including losses due to floods, blizzards, disease, wildfires, extreme heat, and extreme cold. For 2010 losses, producers must file a notice of loss no later than 30 calendar days of when the loss of livestock is apparent. A notice of loss can be reported to the office by phone, fax, or e-mail. Eligible livestock deaths must have occurred in the calendar year for which benefits are being requested. An Application for payment may be filed at any time in 2010, but must be filed no later than 30 calendar days after the end of the calendar year in which the loss of livestock occurred. For 2010 losses, the Application for Payment must be filed no later than January 31, 2011. Please contact the office for additional eligibility requirements. A list of eligible livestock is available at <a href="https://www.fsa.usda.gov/mt">www.fsa.usda.gov/mt</a>.

## NAP Coverage Deadlines for 2011 Crop Year

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to provide financial assistance to producers of non-insurable crops when low yields or prevented planting occurs as the result of natural disasters. Statutes limit NAP coverage to each commercial crop or agricultural commodity, except livestock, for which the catastrophic (CAT) level of insurance is not available. Application deadlines for 2011 NAP coverage for all crops, except value-loss and honey, is **March 15, 2011**. The deadline for value-loss crops was Sept.1, 2010 and Dec. 1, 2010, for honey. Producers who choose to obtain NAP coverage for 2011 must file a CCC-471 application for coverage and pay the applicable service fee by the sales closing deadline. Eligible producers must pay a service fee of \$250 per crop per administrative county or \$750 per producer per county, not to exceed \$1,875 for a producer with farming interests in multiple counties. Service fees may be waived for limited-resource producers. Please contact your local FSA Office for additional information.

## **Secretary Vilsack reappoints Montana FSA State Committee**

U.S. Secretary of Agriculture Tom Vilsack has reappointed Montana's Farm Service Agency State Committee members to a second one-year term. The State Committee consists of Steve Carney, of Scobey, chair, and members Floyd Dahlman, of Forsyth, Kelly Flaherty-Settle, of Canyon Creek, Hans C. McPherson of Stevensville and Patricia A. Quisno, of Fort Belknap. The five-member State Committee consists of farmers and ranchers throughout the state who serve as a board of directors for FSA statewide. FSA, with headquarters in Bozeman, administers disaster assistance, commodity, price support, conservation and farm loan programs under the 2008 Farm Bill to farmers and ranchers across Montana through its 49 county offices. The State Committee's 2011 meeting schedule is Feb. 15-16; April 11-12, June 8-9, Aug. 8-9, Oct. 12-13 and Dec. 12-14. For more info, please call FSA'S State Office at (406) 587-6872.

### Show Me and Teach Me about Montana Agriculture Design Contest Deadline Jan. 31

In recognition of Ag Week, March 21-25th, 2011, Agriculture in Montana Schools (AMS) is once again bringing the Show Me and Teach Me about Montana Agriculture Design Contest (formerly Bumper Sticker) to Montana's elementary school children.

Winning entries will be printed on placemats, postcards, and window clings and will also be posted on the Agriculture in Montana School's website! Placemats will be distributed to school cafeterias and restaurants all across Montana! Entries shall be submitted to County Superintendent of Schools no later than Monday Jan. 31, 2011. Each County Superintendent will choose one county winner from each grade. The seven county winners will be submitted by the County Superintendents to AMS by Feb. 7, 2011. AMS will choose eight state winners from these entries who will be announced by the end of February. Each state winner will receive a \$50 US Savings Bond, tours of Helena, meet the governor, and be honored guests at the Show Me and Teach Me about Montana Agriculture luncheon held during National Ag Week in March. All entries become the property of AMS and will not be returned. Contact Information for inquiries and mailing county winning entries: Helen Hanson

AMS Drawing Contest 3718 Hwy 12 White Sulphur Springs, Montana 59645 Phone: (406) 547-3482, Email:

fordcreek1@wsslive.org You can view entry categories, contest rules and/or past winner's entries at aginmontanaschools.org.

# Loan and LDP Deadline for Wool, Mohair, and Unshorn Lamb Pelts

Eligible producers have until **Jan. 31, 2011**, to apply for 2010 Loan Deficiency Payments (LDP's) for wool, mohair, and unshorn pelts. **January 31**<sup>st</sup> is also the deadline for requesting 2010 Marketing Assistance Loans for Wool and Mohair. Unshorn pelts are not eligible for Marketing Assistance Loans.

To be eligible for a 2010 mohair or wool Marketing Assistance Loan or LDP, producers must: (a) have beneficial interest in the mohair or wool; (b) produce and shear eligible mohair or wool in the U.S. in 2010; and (c) own the sheep or goats that produced the mohair or wool for a period of not less than 30 days before shearing.

To be eligible for an unshorn pelt LDP, producers must: (a) have beneficial interest in the pelts; (b) own the lamb for at least 30 calendar days before the date of slaughter and before submitting the LDP request; and (c) sell the unshorn lamb for immediate slaughter or slaughter the unshorn lamb for personal use. Producers must also comply with wetland conservation and highly erodible land conservation provisions on all lands they operate or have interest in. To qualify for payment, the wool, mohair, or pelts must have been produced by an eligible producer from live animals of domestic origin and located in the United States.

# Highly Erodible Land and Wetland Conservation Compliance

Landowners and operators are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions are required. Farmers with HEL determined soils are reminded of tillage, crop residue, and rotation requirements as specified per their conservation plan. Producers are to notify the USDA Farm Service Agency prior to sod busting, new breaking, conducting land clearing or drainage projects to insure compliance. Failure to obtain advance approval for any of these situations can result in the loss of eligibility and all Federal payments.

# **Special Accommodations**

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone.

#### IRS Form 1099-G

Each year producers receive 1099-G forms from the Commodity Credit Corporation (CCC) detailing payments producers have received from the CCC. CCC's annual report of program payments on the 1099-Gs help our customers report taxable income. It is not intended to replace the producer's own responsibility to report income to the IRS. FSA staff cannot interpret IRS regulations or advise producers about which payments to report on their income tax returns. However, county office staff can review payments for accuracy.

#### **Commodity Loans**

Commodity loans, also referred to as Marketing Assistance Loans, are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Beneficial interest means retaining the ability to make decisions about the commodity, responsibility for all risk of loss or damage to the commodity, and title to the commodity. During the term of the loan, loss of beneficial interest is a violation of loan provisions.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

# **FSA Spousal Signature Policy**

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse. There are exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities. Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents. For more clarification on spousal signature authority, feel free to contact the local FSA office.



#### Financial and Production Management Training Schedule

Bozeman, Dec. 30, 2010 - USDA Farm Service Agency (FSA) in conjunction with Montana State University wants to inform Montana's agricultural producers that Financial and Production Management training will begin on Jan. 18 and will run through Feb. 22, 2011. The sessions will be held from 10 a.m. to Noon, and 1 to 3 p.m.

The cost to attend the six-week training is \$100 per family unit. A registration fee of \$20 will be charged for anyone interested in attending a single session. Anyone interested in attending should contact one of the locations listed below.

This continuing education class is available to anyone interested in learning more about managing their farm/ranch operation. This course also meets the requirements for production and financial management training for FSA loan recipients. In order to qualify for a certificate, all six sessions must be attended. Participants will be asked to pay a registration fee to cover the cost of the video conferencing at the first session they attend. Contact the location of your choice for further information.

Workshop locations and contact numbers are:

- Beaverhead County-Dillon USDA Service Center: (406) 683-3830
- Blaine County-Chinook USDA Service Center: (406) 357-2320, ext. 2
- Carter County-Ekalaka USDA Service Center: (406) 775-6359, ext. 2
- Cascade County-Great Falls USDA Service Center: (406) 727-7580, ext. 2
- Custer County-Miles City USDA Service Center: (406) 232-7905, ext. 2
- Fergus County-Lewistown USDA Service Center: (406) 538-3489, ext. 2
- Fort Peck Community College Contact Carrie Sue Archdale or Tori Matejovsky: (406) 768-3025
- Gallatin County-Bozeman USDA Service Center: (406) 522-4000, ext. 2
- Glacier County-Cut Bank USDA Service Center: (406) 873-5618, ext. 2
- Hill County-Havre USDA Service Center: (406) 265-6792, ext. 2
- Lake County-Ronan USDA Service Center: (406) 676-2811, ext. 2
- Little Big Horn College Contact Fredrica Lefthand: (406) 638-3131
- Teton County-Choteau USDA Service Center: (406) 466-5351, ext. 2

Topics to be covered are: 1) Crop and Livestock Marketing; 2) Introduction to Quicken 3) Crop Production; 4) Communicating about Estate Planning; 5) Taxation Issues; 6) Tools Estate Planning; 7) Livestock and Crop Production; 8) Advanced Quicken; 9) Financial Analysis I; 10) Financial Analysis and Risk Management; 11) Retirement Planning and 12) Family Business Issues/Goals and Assessments.

The workshops are designed to provide a variety of management and production tools to meet today's financial and production demands. The Production Records Session will discuss recommended recordkeeping for FSA and other government livestock and crop programs. For further information contact the locations listed above or the MSU Extension Service. The training schedule, dates, location and local contacts are posted on the Montana Farm Service Agency website at www.fsa.usda.gov/mt.

#### **Customer Statement**

January signals the beginning of a new year, and a time to starting thinking about filing taxes. Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data via their Customer Statement.

The Customer Statement puts a range of USDA services and programs into a single report that's at your fingertips and available online, 24 hours a day, seven days a week. It allows USDA customers to view their participation, application and payment status in various commodity and conservation programs; information on farm loans; and conservation plan and land unit information.

To view the Financial Management Information web page, visit <a href="http://www.fsa.usda.gov/fmi">http://www.fsa.usda.gov/fmi</a>. Please contact your county office if you have any questions regarding the web page.

Note: Website use requires level 2 e-Authentication access. Follow the steps below to obtain level 2 access...

- Go to www.eauth.egov.usda.gov, complete a customer profile and submit it online
- After submitting your customer profile, you will receive a confirmation email, and you must respond to it within 7 days to activate your account
- 3. Then you must complete the "Identity Proofing" process by visiting a local USDA Service Center and presenting a photo ID, such as your driver's license

# **Farming Operation Changes**

If you have bought or sold land, or if you have added or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring. Update signature authorization when changes in the operation occur. Producers are reminded to contact the office of a change in operations on a farm so that records can be kept current and accurate.



PRESORTED STANDARD U.S. POSTAGE PAID Bozeman, MT 59715

| Selected Interest Rates - January 2011 |        |  |
|----------------------------------------|--------|--|
| Farm Operating - Direct                | 1.750% |  |
| Farm Ownership - Direct                | 4.500% |  |
| Farm Ownership - Direct Down           |        |  |
| Payment, Beginning Farmer or           | 1.500% |  |
| Rancher                                |        |  |
| Conservation Loan                      | 4.500% |  |
| Emergency - Actual Loss                | 3.750% |  |
| Farm Storage Facility - 7-year         | 2.500% |  |
| Farm Storage Facility - 10-year        | 3.125% |  |
| Farm Storage Facility - 12-year        | 3.375% |  |
| Commodity Loans 1996-Present           | 1.250% |  |
| 90-Day Treasury Bill                   | 0.125% |  |



| Dates to Remember |                                                                                                              |  |
|-------------------|--------------------------------------------------------------------------------------------------------------|--|
| Oct. 1, 2010      | 2011 ACRE Sign-Up Began & Continues                                                                          |  |
| Oct. 1, 2010      | 2011 DCP Sign-Up Began                                                                                       |  |
| Jan. 10, 2011     | SURE Program Signup for 2009 Crop Year Begins                                                                |  |
| Jan. 17, 2011     | USDA Service Centers closed in observance of<br>Martin Luther King Day federal holiday                       |  |
| Jan. 31, 2011     | Last Day to file Application for Payment for 2010<br>LIP & ELAP where timely Notices of Losses were<br>filed |  |
| Jan. 31, 2011     | 2010 Wool, Mohair and Unshom Pelt Marketing<br>Assistance Loan and LDP Deadline                              |  |
| Feb. 21, 2011     | USDA Service Centers closed in observance of<br>President's Day federal holiday                              |  |
| March 15, 2011    | NAP sales closing date for all other crops except value-loss and honey.                                      |  |
| June 1, 2011      | 2011 DCP / ACRE Filing Deadline                                                                              |  |
| Continues         | Continuous Conservation Reserve program                                                                      |  |

## **Cooperation with Risk Management Agency:**

The Agricultural Risk Protection Act of 2000 requires the Farm Service Agency (FSA) and the Risk Management Agency (RMA) to work together to improve program compliance and integrity of the Federal Crop Insurance Program. As a result of the passage of the 2000 Act, RMA and FSA are required to coordinate a plan to identify, address and reconcile discrepancies of all relevant producer-derived information, and to coordinate a monitoring program to include fact finding relative to allegations of program fraud, waste, and abuse. FSA will assist RMA and insurance providers in monitoring conditions throughout the growing season and conduct growing season inspections. All suspected cases of fraud, waste, and abuse concerning the Federal Crop Insurance Program will be referred to RMA. FSA will also assist RMA with auditing claims. Producers may also report suspected cases of fraud, waste, and abuse to their local FSA County Office, the RMA Office or Office of Inspector General.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.